

California Code of Regulations
Title 9. Rehabilitative and Development Services
Division 1. Department of Mental Health

Article 2: DEFINITIONS

Section 3200.125. Financial Incentive Programs Funding Category.
“Financial Incentive Programs Funding Category” means the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds stipends, scholarships and the Mental Health Services Act Loan Assumption Program for the purpose of recruiting and retaining Public Mental Health System employees.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.215. Mental Health Career Pathway Programs Funding Category.
“Mental Health Career Pathway Programs Funding Category” means the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds education, training and counseling programs designed to recruit and prepare individuals for entry into and advancement in jobs in the Public Mental Health System.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.234. Mental Health Services Act Loan Assumption Program.
“Mental Health Services Act Loan Assumption Program” means a program to make payments to an educational lending institution on behalf of an employee who has incurred debt while obtaining an education, provided the individual agrees to work in the Public Mental Health System for a specified period of time, in a capacity that meets the employer’s workforce needs.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.253. Public Mental Health System.
“Public Mental Health System” means publicly-funded mental health programs/services and entities that are administered, in whole or in part, by the Department or County. It does not include programs and/or services administered, in whole or in part, by federal, state, county or private correctional entities or programs or services provided in correctional facilities.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5820, Welfare and Institutions Code.

Section 3200.254. Public Mental Health System Workforce.

“Public Mental Health System Workforce” means current and prospective Department and/or County personnel, County contractors, volunteers, and staff in community-based organizations, who work or will work in the Public Mental Health System.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5820, Welfare and Institutions Code.

Section 3200.255. Regional Partnership.

“Regional Partnership” means a group of County approved individuals and/or organizations within geographic proximity that acts as an employment and education resource for the Public Mental Health System. The group may include educational and employment service entities, individuals and/or entities within the Public Mental Health System, and individuals and/or entities that have an interest in the Public Mental Health System, such as county staff, mental health service providers, clients, and clients’ family members.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.256. Residency and Internship Programs Funding Category.

“Residency and Internship Programs Funding Category” means the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds psychiatric residency programs and post-secondary mental health internship programs in order to increase the number of licensed and/or certified individuals employed in the Public Mental Health System.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.275. Supported Employment Services.

“Supported Employment Services” means vocational rehabilitation activities provided to a client and/or a family member of a client for the purpose of obtaining, sustaining and enhancing their employment.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.276. Training and Technical Assistance Funding Category.

“Training and Technical Assistance Funding Category” means the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds consultation and/or education to assist

those providing services and supports to individuals, clients and/or family members of clients who are working in and/or receiving services from the Public Mental Health System.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3200.320. Workforce Education and Training.
“Workforce Education and Training” means the component of the Three-Year Program and Expenditure Plan that includes education and training programs and activities for prospective and current Public Mental Health System employees, contractors and volunteers.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5820, Welfare and Institutions Code.

Section 3200.325. Workforce Staffing Support Funding Category.
“Workforce Staffing Support Funding Category” means the funding category of the Workforce Education and Training component of the Three-Year Program and Expenditure Plan that funds staff needed to plan, administer, coordinate and/or evaluate Workforce Education and Training programs and activities.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5821 and 5822, Welfare and Institutions Code.

Article 3: GENERAL REQUIREMENTS

Section 3310. The Three-Year Program and Expenditure Plan.

(a) [no change]

(b) Three-Year Program and Expenditure Plans shall address each of the following components:

(1) [no change]

(2) [no change]

(3) Workforce Education and Training.

(4) [no change]

(5) [no change]

(c) [no change]

(d) [no change]

(e) [no change]

(f) [no change]

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5830, 5848(e), 5847, 5892, and 5897(a), Welfare and Institutions Code.

Article 5: REPORTING REQUIREMENTS

Section 3510. Annual MHSA Revenue and Expenditure Report.

(a) The County shall submit to the Department an Annual Mental Health Services Act (MHSA) Revenue and Expenditure Report ~~for Community Services and Supports (CSS)~~. The Annual MHSA Revenue and Expenditure Report ~~for the CSS component~~ shall include, but not be limited to, the following:

(1) [No change]

(2) Program Expenditures: The County shall report the total expenditures incurred by ~~Service Category~~service or funding category and revenues received during the reporting fiscal year and complete a separate Program Revenue and Expenditure Report for each program funded through the County MHSA Performance Contract.

(3) [no change]

(4) [no change]

(b) The County shall submit the Annual MHSA Revenue and Expenditure Report ~~for the CSS component of the MHSA~~ no later than December 31 following the end of the fiscal year.

(c) [no change]

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: ~~Sections 5610(a), 5612(a)-(b), 5664(a), 5801(b)(10)-(11), and 5860(b)~~, Sections 5610, 5612, 5664, 5801, 5820, 5860, Welfare and Institutions Code; and Section 3(e), MHSA.

Section 3550. Workforce Education and Training Annual Report.

(a) The County shall submit the Workforce Education and Training Annual Report to the Department for the approved Workforce Education and Training

component of the County's Three-Year Program and Expenditure Plan and/or annual update. This report shall be included as part of the County's annual reporting requirements and shall include, but not be limited to, the following:

(1) Reporting period.

(2) A list of County actions within the funding categories in Section 3840.

(3) Scheduled activities and major accomplishments, by funding category.

(4) A list of issues, if any, that have impeded the County's ability to accomplish the objectives identified in Section 3820(a).

(b) The Workforce Education and Training Annual Report shall be submitted no later than December 31 following the end of the fiscal year.

(c) If the County does not submit the Workforce Education and Training Annual Report by the deadline in (b) above, the Department may withhold MHSA funds.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.

Reference: Sections 5820, 5897, Welfare and Institutions Code.

Article 8: WORKFORCE EDUCATION AND TRAINING

Workforce Education and Training as defined in Section 3200.320 shall be governed by the provisions specified in this Article and in Articles 1 through 5 unless otherwise specified.

Section 3810. General Workforce Education and Training Requirements.

(a) Workforce Education and Training programs and activities shall address workforce shortages and deficits identified in the Workforce Needs Assessment required by Section 3830 of the regulations and use one or more of the strategies in Welfare and Institutions Code Section 5822 (a)-(i).

(b) The County shall designate a Workforce Education and Training Coordinator whose duties shall include, but not be limited to:

(1) Coordinating Workforce Education and Training programs and activities.

(2) Acting as a liaison to the Department.

(c) Workforce Education and Training funds may be used to:

(1) Educate the Public Mental Health System workforce on incorporating the General Standards in Section 3320 into its work.

(2) Increase the number of clients and family members of clients employed in the Public Mental Health System through activities such as:

(A) Recruitment.

(B) Supported employment services, as defined in Section 3200.275.

(C) Creating and implementing promotional opportunities.

(D) Creating and implementing policies that promote job retention.

(3) Conduct focused outreach and recruitment to provide equal employment opportunities in the Public Mental Health System for individuals who share the racial/ethnic, cultural and/or linguistic characteristics of clients, family members of clients and others in the community who have serious mental illness and/or serious emotional disturbance.

(4) Recruit, employ and support the employment of individuals in the Public Mental Health System who are culturally and linguistically competent or, at a minimum, are educated and trained in cultural competence as defined in Section 3200.100, and linguistic competence, as defined in Section 3200.210.

(5) Provide financial incentives to recruit or retain employees within the Public Mental Health System.

(6) Incorporate the input of clients and family members of clients into public mental health Workforce Education and Training programs and/or activities.

(7) Incorporate the input of diverse racial/ethnic populations that reflect California's general population into Workforce Education and Training programs and/or activities.

(8) Establish Regional Partnerships, as defined in Section 3200.255.

(9) Coordinate Workforce Education and Training programs and/or activities.

(d) Workforce Education and Training funds may not be used to:

(1) Address the workforce recruitment and retention needs of systems other than the Public Mental Health System, such as criminal justice, social services, and other non-mental health systems.

(2) Pay for staff time spent providing direct public mental health services.

(A) Staff time spent supervising interns and/or residents who are providing direct public mental health services through an internship or residency program may be funded.

(3) Off-set lost revenues that would have been generated by staff who participate in Workforce Education and Training programs and/or activities.

(e) Programs and/or activities shall incorporate the General Standards in Section 3320 and program content shall be consistent with these standards.

(f) Employees and volunteers in the Public Mental Health System workforce, whether paid or not, may participate in Workforce Education and Training programs and/or activities.

(g) The County may supplement any Department administered Workforce Education and Training program by using the County's Workforce Education and Training funds to:

(1) Expand that program within the county.

(2) Create programs within the county that are similar to those administered by the Department.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5813.5, 5820, 5821, 5822, Welfare and Institutions Code;
Section 3, MHSA.

Section 3820. Workforce Education and Training component of the Three-Year Program and Expenditure Plan.

(a) The Workforce Education and Training component of the Three-Year Program and Expenditure Plan, and/or the annual update, shall include the following:

(1) A Workforce Needs Assessment, as described in Section 3830, if such an assessment has not been performed within the prior five years.

(2) A work detail for each program and/or activity, that includes:

(A) The title of the program and/or activity.

(B) A description of the program and/or activity.

(C) The objectives of the program and/or activity.

(D) The funding category under which the program and/or activity will be funded.

(E) A budget narrative, including the projected costs used to prepare the budget for the program and/or activity.

(b) The Workforce Education and Training component of the Three-Year Program and Expenditure Plan and/or the annual update shall describe how each program and/or activity:

(1) Meets the workforce education and training needs identified in the County's most recent Workforce Needs Assessment.

(2) Employs one or more of the strategies in Welfare and Institutions Code Section 5822 (a)-(i).

(c) The Workforce Education and Training component of the Three-Year Program and Expenditure Plan and/or the update shall include written certification by the County Mental Health Director that the County has complied with all applicable requirements.

(d) The County shall provide the name and contact information of the Workforce Education and Training Coordinator required in Section 3810(b).

(e) The Workforce Education and Training component of the Three-Year Program and Expenditure Plan and/or the annual update shall contain a budget summary for each fiscal year, which shall include the total budgeted for each funding category.

(1) The County's budget shall not be approved if it exceeds the amount of funds that has been established by the Department as the County's Planning Estimate for the Workforce Education and Training component of the Three-Year Program and Expenditure Plan.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code. Reference: Sections 5820, 5822, 5848, Welfare and Institutions Code; Section 3, MHSA.

Section 3830. Workforce Needs Assessment.

(a) The County shall conduct an assessment of the education and training needs of its Public Mental Health System workforce and prepare a written Workforce Needs Assessment that identifies and evaluates the identified needs.

(1) The County shall conduct the Workforce Needs Assessment at least once every five years.

(b) The Workforce Needs Assessment shall include all of the following:

(1) A list of occupations in the Public Mental Health System within the following categories and the number of individuals in each occupation.

(A) Licensed mental health staff who provide services to clients of the Public Mental Health System.

(B) Mental health staff, not required to be licensed, who provide services to clients of the Public Mental Health System.

(C) Other health care professionals who provide services, such as physicians, rehabilitation therapists and traditional cultural healers.

(D) Managerial and supervisory positions.

(i) A position shall be counted as managerial or supervisory if more than 50% of the individual's time is spent managing or supervising others.

(E) Personnel who provide support to staff providing services to clients in the Public Mental Health System.

(i) Only include staff employed within the Public Mental Health System.

(2) For each occupation in (1) above, estimate the number of additional positions needed and the number of positions the County determines to be hard-to-fill or for which it is hard to retain staff.

(A) If a position is either hard-to-fill or a position in which it is hard to retain staff in certain areas of the county, the specific area(s) shall be identified.

(3) For each occupation in (1) above, the number of positions, including job title and/or job description, for which recruitment priority is given to clients and/or family members of clients.

(4) For each occupation in (1) above, an estimate of the number of personnel within each racial/ethnic group, as identified through voluntary self-reported data.

(5) The estimated number of clients and family members of clients within each racial/ethnic group that the Public Mental Health System will serve during the time period addressed in the Workforce Needs Assessment.

(6) A list of the languages in which staff proficiency is required to ensure access to and quality of public mental health services for individuals whose primary language is not English. For each language listed, the County shall indicate:

(A) The number of staff who are proficient in that language.

(B) The estimated number of additional staff necessary to meet the need.

(7) The number of employees and volunteers in the Public Mental Health System in each of the following categories:

(A) Those employees, volunteers and/or individuals under contract who are directly supervised by County staff.

(B) Those employees, volunteers and/or individuals under contract who are directly supervised by contract agency staff.

(8) Additional workforce needs identified through the Workforce Needs Assessment.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5813.5, 5820, 5822, 5848, Welfare and Institutions Code;
Section 3, MHSA.

Section 3840. Workforce Education and Training Funding Categories.

(a) The Workforce Education and Training component contains five funding categories:

(1) Training and Technical Assistance.

(2) Mental Health Career Pathway Programs.

(3) Residency and Internship Programs.

(4) Financial Incentive Programs.

(5) Workforce Staffing Support.

(b) The Workforce Education and Training component of the Three-Year Program and Expenditure Plan and annual update shall include programs and activities in at least one of the funding categories in (a) above.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, 5848, Welfare and Institutions Code.

Section 3841. Training and Technical Assistance Funding Category.

(a) The Training and Technical Assistance Funding Category may fund programs and/or activities that increase the ability of the Public Mental Health System workforce to do the following:

(1) Promote and support the General Standards in Section 3320.

(2) Support the participation of clients and family members of clients in the Public Mental Health System.

(3) Increase collaboration and partnerships among Public Mental Health System staff and individuals and/or entities that participate in and support the provision of services in the Public Mental Health System.

(4) Promote cultural and linguistic competence.

(b) The Training and Technical Assistance Funding Category may be used to pay for the following:

(1) Collaboration and partnerships among Public Mental Health System staff and individuals and/or entities that participate in and support the provision of services in the Public Mental Health System, for the purpose of developing curricula and providing training to entities such as the following:

(A) Clients and family members of clients.

(B) Individuals from racial/ethnic, cultural and linguistic communities that are underrepresented in the Public Mental Health System, as underrepresentation is defined in Section 11139.6 of the Government Code.

(C) Other unserved and underserved communities, as defined in Sections 3200.300 and 3200.310.

(2) Development of curricula that meets the objectives in (a) above and training preparation, including expenses and consulting services.

(3) Payment to trainers to deliver training, technical assistance and consultation.

(A) The County shall ensure that trainers have knowledge of the objectives in (a) above.

(4) Other costs of providing training, such as materials, supplies, and room and equipment rental costs.

(5) Travel expenses of trainers and Public Mental Health System training participants, including mileage, lodging and per diem.

(A) The employer shall not be reimbursed for the time an employee takes from his/her duties to attend training.

(6) Evaluation of the effectiveness of the training, and its impact on service delivery in the Public Mental Health System.

(c) Employees, contractors and volunteers in non-mental health systems, such as criminal justice, social services and health care may participate in programs and activities under this funding category.

(1) MHSA funds shall not be used to pay for the personnel, operating and administrative costs of employees, contractors and volunteers in non-mental health systems for this participation.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5813.5, 5820, 5822, 5848, Welfare and Institutions Code.

Section 3842. Mental Health Career Pathway Programs Funding Category.

(a) The Mental Health Career Pathway Programs Funding Category may fund, but is not limited to, the following:

(1) Programs to prepare clients and/or family members of clients for employment and/or volunteer work in the Public Mental Health System.

(2) Programs and coursework in high schools, adult education, regional occupational programs, colleges and universities that introduce individuals to and prepare them for employment in the Public Mental Health System.

(3) Career counseling, training and/or placement programs designed to increase access to employment in the Public Mental Health System to groups such as immigrant communities, Native Americans and racial/ethnic, cultural and linguistic groups that are underrepresented in the Public Mental Health System, as underrepresentation is defined in Section 11139.6 of the Government Code.

(4) Focused outreach and engagement in order to provide equal opportunities for employment to individuals who share the racial/ethnic, cultural and linguistic characteristics of the clients served.

(5) Supervision of employees in Public Mental Health System occupations that are in a Mental Health Career Pathway Program.

(b) Development of Mental Health Career Pathway Programs shall include:

(1) Identification of available financial and other resources to supplement MHSA funds.

(2) A process for tracking a participant's progress including successful completion of the program, and educational and/or employment choices after program completion.

(3) Identification of outcomes by which the program shall be evaluated.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5813.5, 5820, 5822, 5848, Welfare and Institutions Code;
Section 3, MHS.A.

Section 3843. Residency and Internship Programs Funding Category.

(a) The Residency and Internship Programs Funding Category may fund, but is not limited to, the following:

(1) Time required of staff, including university faculty, to supervise psychiatric residents training to work in the Public Mental Health System.

(2) Time required of staff, including university faculty, to supervise post-graduate interns training to work as psychiatric nurse practitioners, masters of social work, marriage and family therapists, or clinical psychologists in the Public Mental Health System.

(A) Only faculty time spent supervising interns in programs designed to lead to licensure is eligible.

(3) Time required of staff, including university faculty, to train psychiatric technicians to work in the Public Mental Health System.

(4) Time required of staff, including university faculty, to train physician assistants to work in the Public Mental Health System and to prescribe psychotropic medications under the supervision of a physician.

(5) Addition of a mental health specialty to a physician assistant program.

(b) Participants in Residency and Internship programs shall be trained in the use of the General Standards in Section 3320.

(c) Funds may only be used for staff and program expenses required to address the occupational shortages identified in the County's Workforce Needs Assessment.

(d) All program content shall be consistent with the General Standards in Section 3320.

(e) The Residency and Internship Funding Category shall not be used to pay for time spent by residents, interns and/or supervisors when providing direct services to clients.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5813.5, 5820, 5822, Welfare and Institutions Code.

Section 3844. Financial Incentive Programs Funding Category.

(a) The Financial Incentive Programs Funding Category may fund financial assistance programs that address one or more of the occupational shortages identified in the County's Workforce Needs Assessment. Financial Incentive Programs include:

(1) Scholarships.

(2) Stipends.

(3) Loan assumption programs.

(b) Scholarships and stipends shall pay or reimburse individuals for expenses, or a portion of the expenses, associated with participation in programs and/or activities paid for under a funding category in Section 3840.

(c) Financial incentive programs may be utilized to encourage the recruitment and retention of the following populations:

(1) Individuals who can fill identified occupational shortages or have the skills needed by Public Mental Health System employers, as identified in the County's most recent Workforce Needs Assessment, such as those in a licensed profession or those with a proficiency in a language other than English.

(2) Individuals with client and/or family member experience who are participating in Workforce Education and Training programs and/or activities paid for through a funding category in Section 3840.

(3) Individuals with client and/or family member experience who are participating in an education or training program designed to lead to employment in the Public Mental Health System.

(d) The County may contract with a fiduciary entity, university or accredited educational institution to establish a financial incentive program.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code.

Section 3844.1 Stipends.

In addition to Section 3844(c), the following shall apply:

(a) Stipend recipients shall commit to work in the Public Mental Health System for a minimum of the equivalent of one calendar year for each year of stipend received.

(b) Stipends are paid directly to recipients, and may pay for the following expenses:

(1) Tuition, registration fees, books and supplies.

(2) Travel expenses including mileage, lodging and per diem if travel is for the purpose of participating in an educational or training activity.

(3) Any other expenses incurred as a result of participation in an educational or training activity.

(c) Stipends may pay for an employee's salary if he/she is pursuing a degree in an academic program that addresses the needs identified in the County's Workforce Needs Assessment.

(1) Employees may be compensated for work time when they are participating in employer approved Workforce Education and Training programs, under a signed agreement with the employer that both work time and personal time will be used to participate in the program.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code; Section 3, MHSA; Title IV-E, Social Security Act.

Section 3845. Workforce Staffing Support Funding Category.

(a) The Workforce Staffing Support Funding Category may fund, but is not limited to, the following:

(1) Public Mental Health System staff to plan, recruit, coordinate, administer, support and/or evaluate Workforce Education and Training programs and activities, when the staff is not funded through any of the other funding categories in Section 3840.

(2) Staff to support Regional Partnerships, as defined in Section 3200.255, when performing activities that address the following:

(A) Shortages within the workforce or shortages of workforce skills identified as critical by the Regional Partnership.

(B) Deficits in cultural and/or linguistic competence.

(C) Promotion of employment and career opportunities in the Public Mental Health System for clients and family members of clients.

(3) Staff to provide ongoing employment and educational counseling and support to:

(A) Clients entering or currently employed in the Public Mental Health System workforce.

(B) Family members of clients who are entering or currently employed in the Public Mental Health System workforce.

(C) Family members who are entering or currently employed in the Public Mental Health System workforce.

(4) Staff to provide education and support to employers and employees to assist with the integration of clients and/or family members of clients into the Public Mental Health System workforce.

(5) Staff necessary to support activities in multiple Workforce Education and Training funding categories when the staff time is not included in the budget for any other funding category in Section 3840.

(6) The Workforce Education and Training Coordinator required in Section 3810(b).

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code.

Section 3850. Mental Health Services Act Loan Assumption Program.

(a) For each fiscal year, the County shall ensure that the total amount of the loans to be assumed for all participants during the year does not cause the County to exceed the amount of money designated to it for the MHSA Loan Assumption Program for that fiscal year.

(b) MHSA Loan Assumption Program funds may be used to pay a portion of the educational loans of individuals who make a commitment to work in the Public Mental Health System in a position that is hard-to-fill or in which it is hard to retain staff, as determined by the County.

(c) The educational loan liability shall be assumed after the participant has completed employment as follows:

(1) A loan assumption payment shall be made on behalf of the participant after each twelve (12) months of employment in a position as specified in (b) above.

(2) Months of employment shall be consecutive unless one of the exceptions in Section 3850(f) is met.

(3) Unless one of the exceptions in Section 3850(f) is met, no individual may participate in the MHSA Loan Assumption program for more than seventy two (72) consecutive months.

(d) Payments.

(1) A single payment of up to ten thousand (10,000) dollars shall be made on the participant's behalf after each consecutive twelve (12) months of employment.

(2) Payments shall be made directly to the lending institution and shall be applied to the principal balance, if not otherwise prohibited by law or by the terms of the loan agreement between the participant and the educational lending institution.

(3) No more than a total of sixty thousand (60,000) dollars of any participant's educational loan liability shall be assumed in a participant's lifetime.

(e) No individual may participate in the MHSA Loan Assumption Program for more than seventy-two (72) consecutive months unless the County grants him/her an exemption from this requirement due to pregnancy, serious illness or other cause deemed appropriate by the County.

(f) The County may use a portion of its Workforce Education and Training funds to increase the number of individuals within the county who participate in the MHSA Loan Assumption Program.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code.

Section 3851. Terms of MHSA Loan Assumption

(a) Loan assumption payments shall be made every twelve (12) months.

(b) Loan assumption payments shall be conditioned upon the participant providing:

(1) Application information as described in Sections 3854 and 3854.1.

(2) Renewal applications as described in 3855.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3851.1. Eligible Educational Loans.

(a) Only loans held by an educational lending institution are eligible for assumption under the MHSA Loan Assumption Program.

(b) Eligible educational loan programs include, but are not limited to:

(1) The Federal Family Education Loan Program in 20 U.S.C. Sec. 1071 et seq.

(2) The Federal Direct Loan Program in 20 U.S.C. Sec. 1087b et seq.

(c) The following fiscal liabilities are not eligible for assumption:

(1) An educational loan(s) that has not been disbursed at the time the applicant signs a loan assumption application and a loan assumption agreement.

(2) An educational loan that was used for the educational expenses of someone other than the applicant.

(3) An educational loan that has been consolidated with a loan of another person or with a non-educational loan.

(4) Lines of credit.

(5) Home equity loans.

(6) Credit card debt.

(7) Business loans.

(8) Mortgages.

(9) Personal loans.

(10) Other consumer loans.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3852. Selection Process.

(a) The County shall receive and review application packages for the MHSA Loan Assumption Program and select and approve applicants for participation.

(b) The County shall develop a process for selection and criteria for participation in the MHSA Loan Assumption Program.

(c) Each approved application shall include written certification by the County Mental Health Director or his/her authorized designee stating that the application package is complete as described in Section 3854.1.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code; Section 3, MHSA.

Section 3853. Requirements for Participation.

(a) The applicant becomes a participant in the MHSA Loan Assumption Program when the County Mental Health Director or his/her designee has approved and signed the loan assumption application as described in 3854.1.

(b) A participant in the MHSA Loan Assumption Program shall continue to make payments to the educational lending institution holding his/her loan, as required by the terms of the loan.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Sections 5820, 5822, Welfare and Institutions Code; Section 3, MHSA.

Section 3854. Application Requirements.

(a) The applicant shall submit to the County an application package that includes:

(1) A completed loan assumption application as described in Section 3854.1.

(2) Written certification signed by the applicant's employer stating that the applicant is employed, or has made a commitment to commence employment in a Public Mental Health System position that is hard-to-fill or in which it is hard to retain staff, as determined by the County.

(3) A signed proposed loan assumption agreement, as described in 3854.2.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code.

Section 3854.1. MHSA Loan Assumption Application.

(a) The loan assumption application shall include, at a minimum:

(1) Applicant's name and social security number.

(2) Applicant's address and telephone number(s).

(3) Applicant's date of birth.

(4) Name of educational lending institution(s).

(5) Balance(s) of the applicant's eligible educational loan(s).

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.

Reference: Section 5822, Welfare and Institutions Code.

Section 3854.2. MHSA Loan Assumption Agreement.

(a) The term of the loan assumption agreement and each renewal shall be twelve (12) consecutive months.

(b) The loan assumption agreement shall include a statement that the applicant understands that his/her loan(s) will only be assumed after he/she has maintained employment for twelve (12) consecutive months in an eligible position.

(c) A participant in the MHSA Loan Assumption Program may not enter into more than one loan assumption agreement at a time, but the agreement may include more than one loan.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.

Reference: Section 5822, Welfare and Institutions Code.

Section 3855. MHSA Loan Assumption Program Renewal.

(a) For each year in which the participant wishes to continue to participate in the MHSA Loan Assumption Program, prior to the expiration of the loan assumption agreement he/she shall submit to the County a loan assumption program renewal.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.

Reference: Section 5822, Welfare and Institutions Code.

Section 3856. Participation Compliance.

(a) The County shall monitor the participant's compliance with all requirements of the MHSA Loan Assumption Program and shall remove or suspend any participant who does not comply with his/her loan assumption agreement.

(b) If a participant is removed or suspended from the MHSA Loan Assumption Program, no further loan assumption payments shall be made by the County until the participant has achieved sufficient compliance for reinstatement.

(c) If a program participant withdraws, or is removed from the MHSA Loan Assumption Program at any time prior to completing the employment required in his/her loan assumption agreement, he/she is liable for all educational loan obligations.

NOTE: Authority cited: Section 5898, Welfare and Institutions Code.
Reference: Section 5822, Welfare and Institutions Code; Section 3, MHSA.